



SDMS Doc ID 2037647

2004-14
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**CERCLA SECTION 122(h)(1) AGREEMENT
FOR RECOVERY OF PAST RESPONSE COSTS**

2037647

IN THE MATTER OF:)	AGREEMENT FOR RECOVERY
)	OF PAST RESPONSE COSTS
A-American Environmental --)	
3033 W. Mission Street)	U.S. EPA Region IX
Alhambra, CA 91803)	CERCLA Docket No. 2004-0014
)	
William R. Anderson)	
)	PROCEEDING UNDER SECTION
SETTLING PARTY)	122(h)(1) OF CERCLA
)	42 U.S.C. § 9622(h)(1)

I. JURISDICTION

1. This Agreement is entered into pursuant to the authority vested in the Administrator of the U.S. Environmental Protection Agency ("EPA") by Section 122(h)(1) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9622(h)(1), which authority has been delegated to the Region 9 Regional Administrator by EPA Delegation No. 14-14-D and redelegated to the Branch Chief of the Response, Planning and Assessment Branch by Regional Delegation R9-1290.15.

2. This Agreement is made and entered into by EPA, and William R. Anderson (the "Settling Party"). The Settling Party consents to and will not contest EPA's authority to enter into this Agreement or to implement or enforce its terms.

II. BACKGROUND

3. This Agreement concerns the A-American Environmental Inc. ("AAE") facility located at 3033 Mission Street, in Alhambra, California (the "Site"). EPA alleges that the Site is a "facility" as defined by Section 101(9) of CERCLA, 42 U.S.C. § 9601(9).

4. a. AAE operated the Site as a treatment, storage and disposal facility from 1999 to August 2001. In August 2001, AAE terminated all of its operations, except facility closure under the oversight of the California Department of Toxic Substances Control ("DTSC").

b. On March 4, 2002, DTSC requested an EPA On-Scene Coordinator to assist in the assessment and disposal of hazardous substances at the Site. On March 29, 2002, DTSC requested in writing that EPA assume the lead role in overseeing or conducting the removal of hazardous substances from the Site. In response to the release or threatened release of hazardous substances at or from the Site, EPA undertook response actions at the Site pursuant to Section 104 of CERCLA, 42 U.S.C. § 9604.

c. At the conclusion of DTSC's actions at the Site, there remained at the Site 61 lab-packed or transport-packaged containers of reactive and poisonous chemicals, and approximately 400 55-gallon drums in substandard and deteriorating condition with inconsistent labeling of the contents. Many of these drums appeared to contain flammable liquids; however, many more had missing or defaced labels, and therefore failed to identify the contents. Based on DTSC's efforts to identify material at the Site, the unidentified materials included picric acid, benzoyl peroxide, sodium peroxide, dinitrophenol, sodium amide, and methyl lithium. There also were 28 above ground storage tanks containing approximately 27,000 gallons of material, of which EPA already had identified at least 750 gallons of corrosive hazardous waste (pH greater than 13). Moreover, there were numerous small bottles of flammables, corrosives, poisons and metal solutions. Additionally, there were approximately two tons of spent nickel-cadmium batteries.

d. Threats to public health or the environment stemmed from the potential for deteriorating conditions at the abandoned Site, which would create an imminent and substantial threat of a catastrophic release of hazardous substances caused by fire or explosion in a densely populated community.

e. Mr. Anderson maintained substantial control over the method and implementation of the facility operations, including the management and direction of the hazardous substances at the Site and compliance with environmental regulations. These operations produced the conditions at the Site and the threats to the public health and the environment.

5. In performing a response action, EPA incurred response costs at or in connection with the Site.

6. EPA alleges that the Settling Party is a liable party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), and is jointly and severally liable for response costs incurred or to be incurred at or in connection with the Site.

7. EPA has determined that the total past and projected response costs of the United States at or in connection with the Site are approximately \$599,844.

8. EPA and the Settling Party recognize that this Agreement has been negotiated in good faith and that this Agreement is entered into without the admission or adjudication of any issue of fact or law.

III. PARTIES BOUND

9. This Agreement shall be binding on EPA and on the Settling Party and his successors and assigns. The signatories to this Agreement certify that they are authorized to enter into the terms and conditions of this Agreement and to bind legally the respective parties represented.

IV. DEFINITIONS

10. Unless otherwise expressly provided herein, terms used in this Agreement that are defined in CERCLA or in regulations promulgated under CERCLA shall have the meanings assigned to them in CERCLA or in such regulations. Whenever terms listed below are used in this Agreement or in any appendix attached hereto, the following definitions shall apply:

- a. "Agreement" shall mean this Agreement.
- b. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. § 9601, *et seq.*
- c. "Day" shall mean a calendar day. In computing any period of time under this Agreement, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.
- d. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, agencies or instrumentalities of the United States.
- e. "Interest" shall mean interest at the rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a). The applicable rate of interest shall be the rate in effect at the time the interest accrues. The rate of interest is subject to change on October 1 of each year.
- f. "Paragraph" shall mean a portion of this Agreement identified by an Arabic numeral or a lower case letter.
- g. "Parties" shall mean EPA and William R. Anderson.
- h. "Past Response Costs" shall mean all costs, including but not limited to direct and indirect costs, that EPA or the U.S. Department of Justice on behalf of EPA has paid at or in connection with the Site, plus accrued Interest.
- i. "Section" shall mean a portion of this Agreement identified by a Roman numeral.
- j. "Settling Party" shall mean William R. Anderson.
- k. "United States" shall mean the United States of America, including its departments, agencies and instrumentalities.

V. PAYMENT OF RESPONSE COSTS

11. Within 15 days of the Effective Date of this Agreement, the Settling Party shall pay to EPA \$15,000.00. Payment shall be made by certified or cashier's check made payable to "EPA Hazardous Substance Superfund." The check or a letter accompanying the check shall identify the name and address of the party making payment, the Site name, the EPA Region and Site/Spill ID Number 09JC, and the EPA docket number for this action. The Settling Party shall send the check to:

EPA Superfund Region 9
Attn: Superfund Accounting
P.O. Box 360863M
Pittsburgh, PA 15251

12. At the time of payment, the Settling Party shall also send notice that payment has been made to EPA in accordance with CERCLA Section 107(a), 42 U.S.C., Section 9607(a). Such notice shall reference the Site name, EPA Region 9 and the Site ID Number (09JC) and the EPA docket number for this action.

13. The total amount to be paid by the Settling Party pursuant to Paragraph 11 shall be deposited in the EPA Hazardous Substance Superfund.

VI. FAILURE TO COMPLY WITH AGREEMENT

14. Interest on Late Payments. If the Settling Party fails to make any payment required by Section V by the required due date, Interest shall continue to accrue on the unpaid balance through the date of payment.

15. Stipulated Penalty.

a. If any amounts due to EPA under Section V are not paid by the required date, the Settling Party shall be in violation of this Agreement and shall pay to EPA, as a stipulated penalty, in addition to the Interest required by Paragraph 14, \$100.00 per day that such payment is late.

b. Stipulated penalties are due and payable within 30 days of the date of demand for payment of the penalties by EPA. All payments to EPA under this Paragraph shall be identified as "stipulated penalties" and otherwise shall be made as set forth in Paragraph 11.

c. Penalties shall accrue as provided in this Paragraph regardless of whether EPA has notified the Settling Party of the violation or made a demand for payment, but need only be paid upon demand. All penalties shall begin to accrue on the day after payment is due and shall continue to accrue through the date of payment. Nothing herein shall prevent the simultaneous

accrual of separate penalties for separate violations of this Agreement.

16. In addition to the Interest and Stipulated Penalty payments required by this Section and any other remedies or sanctions available to EPA by virtue of the Settling Party's failure to comply with the requirements of this Agreement, any Settling Party who fails or refuses to comply with the requirements of this Agreement shall be subject to enforcement action pursuant to Section 122(h)(3) of CERCLA, 42 U.S.C. § 9622(h)(3). If the United States, on behalf of EPA, brings an action to enforce this Agreement, the Settling Party shall reimburse the United States for all costs of such action, including but not limited to costs of attorney time.

17. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued pursuant to this Agreement. Payment of stipulated penalties shall not excuse the Settling Party from payment as required by Section V or from performance of any other requirements of this Agreement.

VII. COVENANT NOT TO SUE BY EPA

18. Except as specifically provided in Section VIII (Reservations of Rights by EPA), EPA covenants not to sue or take administrative action against the Settling Party pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), to recover Past Response Costs. This covenant shall take effect on receipt by EPA of all amounts required by Section V (Payment of Response Costs) and any amounts due under Section VI (Failure to Comply with Agreement). This covenant not to sue is conditioned on the satisfactory performance by Settling Party of its obligations under this Agreement, and reasonable cooperation with EPA's investigation into other potentially responsible parties at the Site. This covenant not to sue extends only to the Settling Party and does not extend to any other person.

VIII. RESERVATIONS OF RIGHTS BY EPA

19. EPA reserves, and this Agreement is without prejudice to, all rights against the Settling Party with respect to all matters not expressly included within the covenant not to sue stated in Section VII. Notwithstanding any other provision of this Agreement, EPA reserves all rights, and this Agreement is without prejudice to, all rights against the Settling Party with respect to:

- a. liability for failure of the Settling Party to meet a requirement of this Agreement;
- b. liability for costs incurred or to be incurred by the United States that are not within the definition of Past Response Costs;
- c. liability for injunctive relief or administrative order enforcement under Section

106 of CERCLA, 42 U.S.C. § 9606;

d. criminal liability; and

e. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments.

20. Nothing in this Agreement is intended to be nor shall it be construed as a release, covenant not to sue, or compromise of any claim or cause of action, administrative or judicial, civil or criminal, past or future, in law or in equity, which the United States may have against any person, firm, corporation or other entity not a signatory to this Agreement.

IX. COVENANT NOT TO SUE BY SETTLING PARTIES

21. The Settling Party covenants not to sue and agrees not to assert any claims or causes of action against the United States, or its contractors or employees, with respect to Past Response Costs or this Agreement, including but not limited to:

a. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claims arising out of the response actions at the Site for which the Past Response Costs were incurred, including any claim under the United States Constitution, the Constitution of the State of California, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended, or at common law; and

c. any claim against the United States pursuant to Sections 107 and 113 of CERCLA, 42 U.S.C. §§ 9607 and 9613, relating to Past Response Costs.

22. Nothing in this Agreement shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

23. The Settling Party agrees not to assert any claims and to waive all claims or causes of action that he may have for all matters relating to the Site, including for contribution, against any person where the person's liability to Settling Party with respect to the Site is based solely on having arranged for disposal or treatment, or for transport for disposal or treatment, of hazardous substances at the Site, or having accepted for transport for disposal or treatment of hazardous substances at the Site, if all or part of the disposal, treatment, or transport occurred before August 1, 2001, and the total amount of material containing hazardous substances contributed by such person to the Site was less than 110 gallons of liquid materials or 200 pounds of solid materials.

24. The waiver in Paragraph 23 shall not apply with respect to any defense, claim, or cause of action that the Settling Party may have against any person meeting the above criteria if such person asserts a claim or cause of action relating to the Site against the Settling Party. This waiver also shall not apply to any claim or cause of action against any person meeting the above criteria if EPA determines:

a. that such person has failed to comply with any EPA requests for information or administrative subpoenas issued pursuant to Section 104(e) or 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) or 9622(e), or Section 3007 of the Solid Waste Disposal Act, 42 U.S.C. § 6972, or has impeded or is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the Site, or has been convicted of a criminal violation for the conduct to which this waiver would apply and that conviction has not been vitiated on appeal or otherwise; or

b. that the materials containing hazardous substances contributed to the Site by such person have contributed significantly, or could contribute significantly, either individually or in the aggregate, to the cost of response action or natural resource restoration at the Site.

X. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

25. EPA and the Settling Party agree that the actions undertaken by the Settling Party in accordance with this Agreement do not constitute an admission of any liability by the Settling Party. The Settling Party does not admit, and retains the right to controvert in any subsequent proceedings other than proceedings to implement or enforce this Agreement, the validity of the facts or allegations contained in Section II of this Agreement.

26. The Parties agree that the Settling Party is entitled, as of the Effective Date of this Agreement, to protection from contribution actions or claims as provided by Sections 113(f)(2) and 122(h)(4) of CERCLA, 42 U.S.C. §§ 9613(f)(2) and 9622(h)(4), for "matters addressed" in this Agreement. The "matters addressed" in this Agreement are Past Response Costs.

27. The Settling Party agrees that with respect to any suit or claim for contribution brought by it for matters related to this Agreement, it will notify EPA in writing no later than 60 days prior to the initiation of such suit or claim. The Settling Party also agrees that, with respect to any suit or claim for contribution brought against it for matters related to this Agreement, it will notify EPA in writing within 10 days of service of the complaint or claim on it. In addition, the Settling Party shall notify EPA within 10 days of service or receipt of any Motion for Summary Judgment and within 10 days of receipt of any order from a court setting a case for trial, for matters related to this Agreement.

28. In any subsequent administrative or judicial proceeding initiated by EPA, or by the United States on behalf of EPA, for injunctive relief, recovery of response costs, or other relief relating to the Site, the Settling Party shall not assert, and may not maintain, any defense or claim

based on the principles of waiver, *res judicata*, collateral estoppel, issue preclusion, claim-splitting, or other defenses based on any contention that the claims raised in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the covenant not to sue by EPA set forth in Section VII.

XI. ACCESS TO INFORMATION

29. The Settling Party shall provide to EPA, on request, copies of all records, reports, or information (hereinafter referred to as "records") within its possession or control or that of its contractors or agents relating to activities at the Site, including, but not limited to, sampling, analysis, chain of custody records, manifests, trucking logs, receipts, reports, sample traffic routing, correspondence, or other documents or information related to the Site.

30. Confidential Business Information and Privileged Documents.

a. The Settling Party may assert business confidentiality claims covering part or all of the records submitted to EPA under this Agreement to the extent permitted by and in accordance with Section 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), and 40 C.F.R. 2.203(b). Records determined to be confidential by EPA will be accorded the protection specified in 40 C.F.R. Part 2, Subpart B. If no claim of confidentiality accompanies records when they are submitted to EPA, or if EPA has notified the Settling Party that the records are not confidential under the standards of Section 104(e)(7) of CERCLA or 40 C.F.R. Part 2 Subpart B, the public may be given access to such records without further notice to the Settling Party.

b. The Settling Party may assert that certain records are privileged under the attorney-client privilege or any other privilege recognized by federal law. If the Settling Party asserts such a privilege in lieu of providing records, he shall provide EPA with the following: 1) the title of the record; 2) the date of the record; 3) the name, title, affiliation (*e.g.*, company or firm), and address of the author of the record; 4) the name and title of each addressee and recipient; 5) a description of the subject of the record; and 6) the privilege asserted. If a claim of privilege applies only to a portion of a record, the record shall be provided to EPA in redacted form to mask the privileged information only. The Settling Party shall retain all records that he claims to be privileged until the United States has had a reasonable opportunity to dispute the privilege claim and any such dispute has been resolved in the Settling Party's favor. However, no records created or generated pursuant to the requirements of this or any other settlement with the EPA pertaining to the Site shall be withheld on the grounds that they are privileged.

31. No claim of confidentiality shall be made with respect to any data, including but not limited to, all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data, or any other documents or information evidencing conditions at or around the Site.

XI. RETENTION OF RECORDS

32. Until 5 years after the Effective Date of this Agreement, the Settling Party shall preserve and retain all record, reports, or information (hereinafter referred to as "records") now in its possession or control, or which come into its possession or control, that relate in any manner to response actions taken at the Site or to the liability of any person under CERCLA with respect to the Site, regardless of any corporate retention policy to the contrary.

33. After the conclusion of the 5-year document retention period in the preceding paragraph, the Settling Party shall notify EPA at least 90 days prior to the destruction of any such records and, on request by EPA, the Settling Party shall deliver any such records to EPA.

34. The Settling Party hereby certifies that, to the best of its knowledge and belief, after thorough inquiry, it has not altered, mutilated, discarded, destroyed or otherwise disposed of any records relating to its potential liability regarding the Site, and that it has fully complied with any and all EPA requests for information pursuant to Sections 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of RCRA, 42 U.S.C. § 6927.

XII. NOTICES AND SUBMISSIONS

35. Whenever, under the terms of this Agreement, notice is required to be given or a document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of this Agreement with respect to EPA and the Settling Party.

As to EPA:

United States Environmental Agency
Andrew Helmlinger, Office of Regional Counsel
75 Hawthorne Street (ORC-3)
San Francisco, CA 94105

For Settling Party:

William R. Anderson
5037 Grand Avenue
Montclair, CA 91763

XIII. INTEGRATION/APPENDICES

36. This Agreement and its appendices constitute the final, complete and exclusive

agreement and understanding among the Parties with respect to the settlement embodied in this Agreement. The Settling Party acknowledges that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Agreement.

XIV. PUBLIC COMMENT

37. This Agreement shall be subject to a public comment period of not less than 30 days pursuant to Section 122(i) of CERCLA, 42 U.S.C. § 9622(i). In accordance with Section 122(i)(3) of CERCLA, EPA may modify or withdraw its consent to this Agreement if comments received disclose facts or considerations which indicate that this Agreement is inappropriate, improper or inadequate.

XV. EFFECTIVE DATE


38. The Effective Date of this Agreement shall be the date on which EPA issues written notice that the public comment period pursuant to Paragraph 37 has closed and that comments received, if any, do not require modification of or EPA withdrawal from this Agreement.

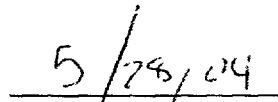
XVI. ATTORNEY GENERAL APPROVAL

39. The United States Attorney General or his designee has approved the settlement embodied in this Agreement in accordance with Section 122(h)(1) of CERCLA, 42 U.S.C. § 9622(h)(1).

IT IS SO AGREED:

U.S. Environmental Protection Agency

By: 
Daniel A. Meer
Branch Chief
Response, Planning and Assessment


Date

THE UNDERSIGNED SETTLING PARTY enters into this Agreement in the matter of the A-American Environmental Inc. Site, located at 3033 W. Mission Street, in Alhambra, California.

FOR SETTLING PARTY:

A handwritten signature in black ink, appearing to read "William R. Anderson", written over a horizontal line.

William R. Anderson
5037 Grand Avenue
Montclair, California